

Testimony before the Appropriations Committee
February 17, 2012
DSS and DCF Budget

Good afternoon, Senator Harp, Representative Walker, and members of the Appropriations Committee. My name is Daniela Giordano, and I am the Public Policy Director for the National Alliance on Mental Illness, CT (NAMI-CT). I am here today on behalf of NAMI-CT to testify in opposition to proposed changes in the Governor's budget for the Department of Social Services. Additionally, we support the creation of a State Basic Health Program.

We oppose the proposed changes to the Medicaid's low income adult services. Providing Low-Income Adults, meaning a person with a monthly income of no more than \$521, with adequate health coverage is vital to their health and the health of their community. The expansion of this Medicaid program has been a major success in addressing the needs of uninsured and underinsured CT residents. There is no reason to turn back the clock, particularly now that enrollment has stabilized. The proposed changes to HUSKY D would turn it into a second-class Medicaid program specifically by two parts of this provision 1) limiting benefits and 2) counting family income in establishing eligibility for adults between ages 19-26.

Under the proposed benefit changes, HUSKY D participants would receive less adequate health care coverage than other Medicaid participants, creating a two-tier system, which is inconsistent with current state health care policy. Arbitrary caps on services, including limiting the number of physician visits, limiting home health services and having dollar caps on medical equipment other than wheelchairs, would shift the costs from early care to higher-cost care and crisis interventions later including ER visit and hospital stays. Counting income of individuals in the family who are not applying to the program and who are not financially responsible is inconsistent with established Medicaid eligibility rules. The Proposal is aimed at young adults with other health care options but it is unclear how the policy would be structured to target this group. Additionally, it is unclear whether the proposal would achieve substantial savings, particularly since young adults are generally the least expensive to cover.

We strongly support the creation of a State Basic Health Program (SBHP) modeled on Medicaid. Under federal health reform, CT has the opportunity to provide comprehensive and affordable health care coverage to low-income people under the age of 65 who earn between 133% and 200% of federal poverty level (FPL). This can be done at no extra cost to the state by staying within the federal subsidies. People in applicable income range are not eligible for Medicaid coverage under its stringent requirements and with an individual monthly income of between less than \$1,300 and less than \$1,900, people would have a very hard, if not impossible, time to afford premiums and cost-sharing within the insurance exchange.

Modeling this Basic Health Program on Medicaid would provide several advantages for people with mental illness and the entire system, including coordinated and comprehensive mental health services via the Behavioral Health Partnership and improved communication and coordination of quality care resulting in savings for the state. Continuity of care will be enhanced if the program is administered by the same entity and uses the same provider network. Placing all Medicaid and SBHP enrollees under one efficient administrative system, the non-risk behavioral health Administrative Service Organization (ASO) will avoid the administrative costs of churning between two different systems for someone whose income fluctuates slightly around 133% of FPL.

